

GMP+ FEED CERTIFICATION SCHEME AUDIT REPORT.

1. General details

Details of main location:

Business details (in accordance to chamber of commerce)	
Name participant	Ferest Logistics Srl
Address	Via Roma 43/b
Postal code	33100
Town	Udine
Country	Italy
Telephone	+39 0432 204767
Fax	+39 0432 295641
Contact person	Mr.s Sandra Vukic
E-mail address contact person	sandra.vukic@ferestlog.com
24/7 telephone number in case of emergencies	Mob: +39 339 7318781 +39 334 9551857
GMP+ registration number	GMP016849
Unique legal registration number	IT02464840301
Registration/recognition applicable conform 183/2005	Registration
Registration/recognition number	IT000478UD
Postal address (if applicable)	
Address	Via Roma 43/b
Postal code	33100
Town	Udine
Country	Italy

Audit type:

01. Initial audit

Overview of all business locations (incl. head office) and GMP+-standards:

GMP+ registration number	Name site	Address Postal code Town Country	GMP+-standard(s) (incl. scope and version date)	Expire date current certificate / temporary acceptance:	Visit start date:
GMP016849	Railway department	Railway department: Via Roma 43/b 33100 Udine Italy	GMP+ Standard: GMP+ B4 Transport Version date: Click or tap to enter a date. Scope: Affreightment of rail transport for feeds	13/12/2017	12/12/2017
GMP016848	Headquarter	(only for the fiscal address) Via dai Novai, 7 33052 Cervignano del Friuli	GMP+ Standard: GMP+ B4 Transport Version date: Click or tap to enter a date. Scope: Affreightment of rail transport for feeds	13/12/2017	12/12/2017

Lead Auditor	Ton Kolk
Auditor	N/A
Trainee	N/A
Witness auditor	N/A
DNV GL Project number	PRJC-573263-2017-MS-ITA

Date document assessment	12/12/2017
Date audit visit	14/12/2017
Report date	14/12/2017
Date of last announced audit	N/A.

Customer applied for unannounced audit	No
Date of last unannounced audit	N/A.

Total number of employees	4
Of which number of temporary workers	N/A
Number of employees involved in GMP+	4

Scope: Production of feed materials.

Number of products	Not applicable
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Scope: Trade in animal feed (all scopes).

Number of GMP+ products traded (only applicable if scope trade is included in page	Not applicable
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2).	
Number of non-GMP+ feed products traded	Not applicable

Scope: Production of feed additives.

Number of products	Not applicable
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Scope: Production of compound feeds/premixtures

Annual tonnage compound feeds	Not applicable
Annual tonnage premixtures	Not applicable
Application of critical feed additives/medicines	No

Gatekeeper files:

Total number of gatekeeper files	Not applicable for this standard
Number of gatekeeper files applicable conform BA 10 Annex 3.6	Not applicable
Number of gatekeeper files applicable conform BA 10 Annex: 4,5,7,8,9,10	Not applicable
Number of files reviewed	Not applicable

Gatekeeper files changed since last audit	Not applicable
Indicate the change of number of gatekeeper files.	Not applicable

Non-GMP+ feed products produced at same location	Not applicable

Outsourcing of production applicable?	Not applicable

EWS/Recall notification applicable since last audit?	No

Exemption of GMP+ applicable?	No

Staff involved in audit:

Name:

Position:

Mrs. Sandra Vukic
 Ms. Dania Passelli
 Mr. Dennis Stanisic
 Mrs. Marina
 Mrs. Karolina

Manager director
 Head of Quality Management and GMP
 Operations
 Consultant
 Operations

Used documents: (not limited to)

Document:	Description:
<u>Management</u>	
Policy	14.09.2017
Animal feed objectives	<p>a) achieve a high level of customer satisfaction;</p> <p>b) constant research and development in the quality, reliability of the services offered, looking for cutting-edge solutions;</p> <p>c) optimization of processes, times and use of resources with increased productivity; guarantee timeliness, punctuality and flexibility to the customer;</p> <p>d) to retain current customers and acquire and strengthen new market shares;</p> <p>e) verify and, as appropriate, improve the reliability of the rolling stock management system (railway wagons). Constantly monitor the safety standards of dangerous goods in compliance with current legislation;</p> <p>f) identify and participate in community and non-community projects concerning the creation of block services programmed from origin to destiny (door to door delivery);</p> <p>g) systematically analyze the needs and possibilities for improvement in:</p> <ul style="list-style-type: none"> o effectiveness of the company Quality System; o level of quality of the services provided; o adequacy of available resources; <p>h) to face risks and opportunities associated with our context and our objectives that can influence the conformity of our services;</p> <p>i) cost reduction, increase in revenues and therefore overall increase in efficiency</p> <p>j) more extensive and frequent involvement and active participation of all staff and collaborators, through constant information and training on company practices and objectives, with particular attention to the results achieved;</p> <p>k) to pursue collaboration with suppliers;</p> <p>l) disseminating within the organization the sensitivity regarding the health and safety of the transported products related to the feed chain as indicated in the GMP + standard implemented by the company;</p> <p>m) foresee and maintain a system of sustainable use of resources (natural, human, financial);</p> <p>n) to guarantee to the customer user of the raw materials destined for the feed chain, compliance with the sanitary and safety requirements of the</p>

	<p>products.</p> <p>The Management will periodically check the congruence between the general strategy of the company and the objectives described above, which will define the levels to be achieved from time to time by identifying the necessary resources and responsibilities</p>
Management review	21.11.2017
Minutes of meetings	21/11/2017
QA	
HACCP Risk analysis including flow charts	21/09/2017
CCPs/oPRPs	<p>There are no CCP's</p> <p>Only 2 oPRP's (CP's)</p> <p>Loading the product on the wagons</p> <p>Cleaning and / or disinfection of the wagons</p>
Quality manual	September 2017 version 00
Complaints	At the moment, there have been no complaints from the customer regarding the quality of the service offered and the safety conditions of the product transported
Internal audit	17.11.2017
Overview legislation animal feed	<ul style="list-style-type: none"> • EC Regulation n. 178/2002 which establishes the general principles and requirements of food law, establishes the European Food Safety Authority and establishes procedures in the field of food safety. • EC Regulation n. 1831/2003 on additives for animal feed. • Legislative Decree n. 149/2004 on the implementation of Directives 2001/102 / EC, 2002/32 / EC, 2003/57 / EC and 2003/100 / EC, concerning undesirable substances and products in animal feed. • EC Regulation n. 183/2005 laying down requirements for feed hygiene. • EC Regulation n. 767/2009 on the placing on the market and on the use of feed. • EC Regulation n. 574/2011 amending Annex I of Directive 2002/32 / EC • EC Regulation n. 575/2011 concerning the catalog of feed materials. • EC Regulation n. 277/2012 on the maximum levels and intervention thresholds for dioxins and polychlorobiphenyls. • EC Regulation n. 744/2012 amending Annexes I and II of Directive 2002/32 / EC of the European Parliament and of the Council with regard to maximum levels of arsenic,

	<p>fluorine, lead, mercury, endosulfan, dioxins, Ambrosia spp., Diclazuril and lasalocid A sodium and the intervention thresholds for dioxins.</p> <ul style="list-style-type: none"> • REGULATION (EC) No 852/2004 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 29 April 2004 on the hygiene of food products 	
Product specifications	N/A Only organise of railway transport	
Recall test	Ferest Logistics is not the owner of the product. But in case of an incident they can trace all the materials, wagons and used locomotive company During the audit, I had done a traceability test. See below in the report.	
Traceability test	The traceability and recall are fully applicable due to the extremely short supply chain and thanks to the company registrations put in place (test carried out on 03.12.2017 on transport managed by Ferest Logistcs for the customer Bunge dossier DRRU 17/11/015, present LCI compiled by the company Gabona Control - Corcordia ZRT, product loading sunflower flour lot BUN / 001/17 from Martfu station in Casaletto Vaprio, compliant and well-managed annexed documentation, also view FT n ° 246C of 30.11.2017 to Bunge customer for the service offered). Test also valid as a traceability test. Compliant result, Traceability test duration 15 minutes approx	
Verification	21/11/2017	
Mandatory information of BA6 (labelling & delivery)	<p>The company is not responsible for the labelling. Because they organise only the transport. This communication is done between the supplier and customer.</p> <p>On the transport documents is written</p> <ul style="list-style-type: none"> ▪ Type of feed: feed material. ▪ Name or trade name of the company. ▪ Reference number, batch number or lot number of the batch. ▪ Net weight. ▪ Name feed material of the catalogue of feed materials 	
Documented procedures	Document	Version number/date
Procedure control of documents	14.09.2017	REV. 0
Procedure EWS (in accordance with BA5)	14.09.2017	REV. 0
Procedure corrective actions	14.09.2017	REV. 0
Procedure purchase	14.09.2017	REV. 0
Procedure internal audit	14.09.2017	REV. 0
Procedure preventive action	14.09.2017	REV. 0
<u>Human resources</u>		
Training	27.09 and 10.10.2017	

<u>Production</u>	
Cleaning plan + records	After each unloading the wagons and loading areas of the trucks shall be cleaned conform the IDTF requirements When it is necessary than the wagons shall be cleaned by an officially cleaning station
Hygiene inspection	Before loading of the wagons there is always a control by a lading inspector and filled in a LCI
Sealed samples of final product	This is done by the control body in order of the supplier. (Ferest Logistics is not responsible for this.
<u>Technical engineering</u>	
Maintenance plan	The maintenance of the wagons is carried out by an external company according to the provisions of the "wagon maintenance plan" tab. "
Calibration	N/A
<u>Purchase</u>	
Supplier review	Yearly there is a supplier evaluation 14.09.2017
Complaints	At the moment, there have been no complaints from the customer regarding the quality of the service offered and the safety conditions of the product transported
Supplier requirements/communication	<p>There is sending a letter that the company will be GMP+ certified. Incl. the GMP+ requirements See below.</p> <p>With this document, we inform you that our company is going to get GMP+ certification, for this reason when you deliver for us the goods GMP+FSA certified you must make the following controls and actions:</p> <ol style="list-style-type: none"> 1. control that the wagons must be sealed; 2. ensure a plan for pest control (if this is necessary) during the night stops; 3. take the appropriate steps that the transport requires in order to preserve the quality of the delivered product during the transport route of competence; 4. in case of prolonged stops (especially during the night at terminals or railway stations), you guarantee that the wagons are overseen in order to maintain the feed product protection unchanged and prevent acts of sabotage or bioterrorism to the product itself; 5. make sure that wagons handling (wagon moving, couple and uncouple) is done in such a way that it does not create any problems with the product contained therein; 6. ensure the integrity of the wagons throughout

	the whole transport route of competence so that the quality of the product contained therein is preserved.
Status of purchased products/services	Yearly there is a supplier evaluation 14.09.2017
QC	
Analysing plan: <i>NB Overview analyses, in table chapter 6</i>	Not applicable
Analyses entered into database of GMP+?	Not applicable
[Please explain]	They only organize the transport
Are sufficient analyses taken conform GMP+ and legislation?	Not applicable
[Please explain]	
Glass/hard plastic rounds	N/A before loading of the wagons the wagons shall be inspected by an official inspector with a LCI report.
Pest control	N/A There is no real pest control plan
Logistic	
GMP+-logo	This is the first audit and it is not allowed to use the logo
Freight documents	Verified the information to the suppliers that the transport
Inspection of loading compartment	Verified several LCI's

Feed materials: <https://www.gmpplus.org/pagina/4/products-list.aspx>

Code	Product name
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CODICE IDTF	CODICE PRODOTTO	Feed Materials code	NATURA DEL PRODOTTO	CODICI NHM	PIANO DI PULIZIA VAGONI
40341	2.19.3	2.221	Farina di semi di girasole (Sunflower)	12060000	A
40341	2.19.4		Farina di semi di girasole decorticati	12060000	A
40341	2.14.3	2.132	Farina di semi di colza (Cloza)	12050000	A
40400	4.1.7	4.031	Polpe di barbabietola (beet pulp)	23030000	A
40341		1.130	Cereali (esclusi: frumento segalato, segala, orzo, avena, granturco, riso, sorgo, grano saraceno, miglio, scagliola, fonio, quinoa e triticale) (Wheat, rye, barley, oats, maize, rice, sorghum, buckwheat, millet, canary, fon, quinoa and triticale)	10089000	A
40341	3.7.3	3.070	Favino (Film horse beans – (Faba bean hulls)	07135000	A
40341	1.11.18	1.138	Glutine di frumento (Wheat gluten)	11090000	A
40341	1.4.1	1.040	Avena (Oats)	10040000	A
40341	1.11.1	1.130	Frumento di grano tenero (Tarwe)	10010000 – 10019091	A
40341	1.11.1	1.130	Frumento di grano duro (Tarwe)	10011000	A
40341	2.14.1	2.127	Semi di colza (Rape seed)	12050000- 12051000	A
40341	3.9.3	3.030	Semi di lupino (Film lupins - lupin hulls)	12092950	A
40341	2.18.10	2.166	Semi di soia (Soybean)	12010000- 12081000	A
40341	2.19.1	2.219	Semi di girasole (Sunflower seeds)	12060000	A
40341			Semi di oleaginose ((Seeds of oleaginous))	12030000-	A

				12040000-12070000	
40341	1.2.1	1.050	Mais (Mais)	10050000	A
40341	1.1.18	1.008	Malto (Malt)	11070000	A
40341	4.6.2		Manioca	07140000-07141000	A
40341	1.1.1	1.020	Orzo da birra (Barley)	10030000	A
40341		1.020	Orzo da foraggio (Fodder barley)	10030000	A
40341			Pellet di cereal (Cereal pellets)	11030000-07141010-11032000	A
40341			Pellet di farina di cereali (Cereal flour pellets)	11020000-11031100	A
40341			Pellet di farina di semi oleaginosi (Oilseed pellets)	12080000	A
40341	6.10.5	6.013	Pellet di erba medica (Lucerne meal - Alfalfa meal)	12140000-12141000-12149091	A
40341	3.11.9	3.011	Piselli da campo (Pois proteagineux) (Pea protein)	23080000	A
40341	1.6.5	1.176	Riso (Rice flakes)	10063000-10063021-10063061	A
40341	1.6.5	1.176	Riso (Rice flakes)	10063000-10063021-10063061	A
40341			Sons gritz et autres issues de cereals	11043000-23020000	A
40341	1.7.1	1.100	Segale (Rye)	10020000	A
40341	1.8.1	1.110	Sorgo (Sorghum)	10070000	A
40341	2.18.2	2.187	Pannello di soia (Soya (bean) expeller)	23040000	A
40341	2.6.1	2.023	Pannello di arachide (Groundnut expeller)	23050000	A
40341	2.14.2	2.132	Pannello di colza (Rape seed expeller)	23060000	A
40341	2.19.2	2.221	Pannello di girasole (Sunflower seed expeller)	23060000	A
40341		2.219	Pannello	23060000	A

2. Participant profile

The company Ferest Logistics S.r.l. based in Cervignano del Friuli and a branch in Udine, it operates in the shipping sector, especially road, for over 10 years.

In the last five years, it has expanded its range of services by proposing also railway lines. All the railway activities is done in the office of Udine.

The only involvement of the head quarter is that they have written the name on the invoices (this is a legal (fiscal) requirement of Italy).

Thanks to a strong development of the cereal sector, Ferest Logistics is preparing to achieve, in the current year, a turnover of over 11 million Euro, doubling the average result obtained in previous years

Activities and services

In the expanded logistics and freight transport market, Ferest Logistics S.r.l. tends to enhance both the component of international road transport, full truck or groupage, and that rail and is always looking for integrated solutions for freight and logistics.

The core business is therefore the sale of international road freight and rail freight services with a complete train with media hire and associated organizational activities, mainly represented by one or more of the following activities:

- planning and supply of logistics activities: management of collection and transport of dangerous and non-dangerous goods, from the customer's site to destination or to the departure railway station
- hire of railway wagons owned by the supplier for the transport of various products
- management of the terminalisation: loading, unloading and storage
- management of the execution of transport by truck and by rail
- block / complete train activation
- customs clearance management
- management of the distribution of goods from the arrival station to the Customer's site
- management of the contractual relationship with the customer

Service innovation and safety represent distinctive character. The company supplies and manages transport solutions for its customers for four main business areas (Cereals, Raw Materials and Worked Goods, Other Sectors) and offers a network of trains scheduled from Italy to some Eastern European and regional basins Balkan.

The activity of Ferest Logistics srl is developed for 70% with the rails of cereals on rail (with withdrawal mainly from Hungary) and 20% with the transport of other foodstuffs

The scope of the quality management system, in accordance with the GMP + (B4 Transport) standard, applies to the activity carried out by the organization in: "Design and supply of logistic activities on rails such as management of collection, transport and delivery to the customer site of raw materials for the feed and feed chain" The prescriptions regarding the activities carried out in compliance with the GMP + standard are only carried out at the offices of the Udine office.

Regarding the process of transport of cereals and feed offered by the organization and covered by the GMP + certification, the company outsources the inspection service to the loading, cleaning of cars, maintenance of the same and traction of trains.

In order to increase the market shares of the cereals sector Ferest Logistics S.r.l. intends to obtain the GMP + certification which will enable it to present itself to manufacturing companies that require this supply chain certification for the transport of the raw material.

3. Auditor statements

Verified elements of the standard	Objective evidence and result
Effectiveness of processes for Management Review and Internal audits.	In the yearly Management review (verified last MR 21.11.2017) all required items are discussed, GMP+ objectives are set. Internal audits are performed according planning. Internal audit plan is a rolling 1 year program. All chapters of the system are audited with the related implementation in production. The last year's internal audit plan was reviewed and the findings related to feed safety were all closed. The root cause analysis, correction and corrective actions showed satisfactorily the closure of the non-conformance. Verified the internal audit 17.11.2017

<p>Effectiveness of process for handling of customer and/or stakeholder complaints, including effectiveness of implemented identified corrective actions.</p>	<p>Customer and consumer complaints are captured by QA and communicated to the responsible employees. An extended trend analysis is performed in the management review. No Complaints in 2017. At the moment, there have been no complaints from the customer regarding the quality of the service offered and the safety conditions of the product transported If there are complains they use the root cause analysis, correction and corrective actions and then will showed satisfactorily the closure of the non-conformance.</p>
<p>The management system documentation has been changed to reflect changes in the organization.</p>	<p>The management system documentation is maintained and well controlled and easily accessible and updated regularly. Documents were sampled across the system, including nonconforming products procedure, food safety and HACCP procedure, audit procedure and corrective action procedure. Documents are controlled with password access.</p>
<p>Progress of planned activities and objectives are monitored by management to ensure continual improvement.</p>	<p>Feed safety management activities and objectives are monitored through the Management meeting (last one on 21/11/2017). Quality plans are also reviewed every year. The management reviews are done every year and all food safety related matters are discussed in that meeting as per the standards requirement.</p>
<p>Effectiveness of the management system to ensure the organisation is capable to meet applicable statutory, regulatory and contractual requirements.</p>	<p>Site has a list of all relevant legislation. No issues were observed during the audit that could be considered as non-compliant with legislative/regulatory requirements</p>
<p>Effective control of use of certification marks and reference to certification.</p>	<p>Logos are not used within the company. After the audit they will use the logo's only on documents and website.</p>

4. Summary of the assessment and conclusion

The participant is visited for a(n) initial audit against the GMP+-requirements of the applicable GMP+-standards.

The company is visited for an initial assessment against the GMP+ B4 requirements. The company is audited against the requirements of the applicable GMP+B4 standards.

There is an ISO 9001:2015/GMP- Quality manual defines all requirements are included. The GMP system is periodically reviewed and discussed with all stakeholders. Annually (simultaneously with the management review, the system is verified and validated. There is a HACCP team, consists of the management Sandra Vukic (DIR), Dania Passelli (RGQ and team leader) and the external consultant (Andrea Baldassar). The competence of the latter is assessed in advance per curriculum, industry knowledge and any references

At the policy statement and management review, the management verified its quality system. The management proposes adequate resources for the feed safety system to correctly maintain and regenerate. In accordance with the audit plan at least yearly an internal audit conducted in various parts of the process. The internal audits are conducted by an independent auditor of the department to be audited

A hazard / risk analysis is performed with all the potential risks and control points. The IDTF is used to determine in which category the cargo loads are and what cleaning regime there should be applied. In addition,

The company has an efficient tracking and tracing system. Through the digital system you can find out the ship that transported cargo.

Notification to GMP International is incorporated. A procedure for reporting complaints by the GMP+ is available. Complaints are clearly registered on the complaint form. Periodically, there is an analysis of the complaints. Where necessary, corrective and preventive measures are made

During the audit there were some remarks:

- The sense "GMP+ FSA certified". (but this is not possible because they were not GMP+ certified. After the approval of the report then they use this).
- In the Job description of the Head of Quality Management and GMP + is missing that she defines, implement, apply and keep up the GMP+ requirements.
- Make by de Recall procedure a link to the GMP+ website (BA5 EWS).

During the audit reviewed the following file:

Dossier DRRU BVN/001/17

Bunge AI Spa

Date 17.11.2017

Train BUN/001/17

Loading station Martfu (Hungary)

Palce of inspection: Martfu

Commodity: Sunflowermeal IDFT code 40341, plan of cleanliness of wagons A=dry cleaning)

3 Previous commodity transported: Sunflower meal IDTF code 40341

Type of transport Agry-Only (VAGONI CERIALI)

Quantity of commodity: 1041,95 mt

Type, quantity and list of wagons used for the transport: see enclosed file

Type of loading full wagon

20.11.2017

Batch no BUN/001/17

Destination station: Casalito Vaprio (Italy) Arriving date 29.11.2017

Verified the Quality certificate and GMP+, LCI report; Bunge Hungary ref. 60181175-10/
Bunge Italia ref. 60181192

Wagon no:	Loaded weight (MT)
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338393382621	42.050
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3383933815810	42.050
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And 18 other wagons.

Load total weight 1041.950 Mt of the 24 wagons

Control is done by Cabona Control

Traceability is done in 15 minutes.

5. Findings

During the audit the following non-conformities are detected.

standard	article	question	classification	finding
GMP+ B4	6.1	Does the participant ensure the introduction, implementation and maintenance of permanent, written procedures based on the HACCP principles?	4. Cat 3	There is written a risk analyse. But In to the risk analyse is missing next the protentional risks f.i. <ul style="list-style-type: none"> • Loading • Unloading • See as an example; document GMP+ D2.6 Guidance documents for specific GMP+ application

Summary of the assessment and the number of detected audit non-conformities.									
Location	During previous audit			During audit visit			At final assessment *)		
FEREST LOGISTICS SRL - Railway department	Number of audit non-conformities			Number of audit non-conformities			Number of audit non-conformities		
	Critical	Major	Minor	Critical	Major	Minor	Critical	Major	Minor
						1			1

*) At final assessment no Major or Critical finding can be applicable.

Summary of the assessment and the number of detected audit non-conformities.									
Location	During previous audit			During audit visit			At final assessment *)		
FEREST LOGISTICS SRL (Cervignano del Friuli)	Number of audit non-conformities			Number of audit non-conformities			Number of audit non-conformities		
	Critical	Major	Minor	Critical	Major	Minor	Critical	Major	Minor
				-	-	-			-

Audit conclusion:

The company meets the requirements of the GMP+ Standard because there are less than 10 minors and no Major or Critical findings applicable.

Non-conformity	Measures and sanctions *
1-9 Minors	Corrective action plan implemented within 6 months .
10 or more Minors	Corrective actions within 6 weeks including objective evidence sent to the Lead Auditor. (All minors above 9.)
1 or more Majors	Corrective actions within 6 weeks including objective evidence sent to the Lead Auditor.
1 or more Critical	Corrective actions to be determined between participant, Lead Auditor and GMP+-coordinator.

*) a time period can be set to a shorter period in consultation with the lead auditor.

6. Product sampling

This is not applicable

7. Appendix

Used checklist, report, audit plan and when applicable forms for audit findings.

Certification Body : DNV GL Business Assurance B.V.

Signature Lead Auditor : Ton Kolk

